

BC-104

BUSINESS ECONOMICS

External:80

Internal:20

Time:3 Hours

Attempt five questions in all, selecting at least one question but not more than two from each unit.

UNIT-I

Q1. Write a note on nature and significance of Business Economics.

Q2. Explain the law of diminishing marginal utility. Discuss the importance and limitations of this law.

Q3. What do you mean by elasticity of demand? Explain its types.

Q4. Explain and illustrate the three stages of production with the help of law of variable proportions. In which stage rational producer would like to operate?

UNIT-II

Q5. Explain the traditional theory of cost.

Q6.Explain the equilibrium of firm and industry under perfect competition in the short run and long run.

Q7Discuss the main features of monopolistic competition. How is price and output determined under it?

UNIT-III

Q8.Explain the marginal productivity theory of distribution and point out its main defects.

Q9.Critically examine the Ricardian theory of rent.

Q10.Explain the liquidity preference theory of interest .Discuss its limitations.